

February 5, 2002

The Honorable Judy F. Snider
Clerk of the Circuit Court
City of Buena Vista

City Council
City of Buena Vista

We have audited the cash receipts and disbursements of the Clerk of the Circuit Court of the City of Buena Vista for the period January 1, 2001 through December 31, 2001.

Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system; and no instances of noncompliance with applicable laws, regulations, and policies. However, we noted weaknesses in internal controls that the Clerk needs to address as described below.

Improve Trust Fund Management

Although the Clerk has made progress in correcting the findings noted in our previous year's audit report, we continue to find errors relating to trust fund management. Specifically, we noted the following:

- The Clerk failed to record trust fund interest totaling \$1,951.96 and bank maintenance fees totaling \$57 in the court's automated accounting system. As a result, the Clerk could not properly reconcile the bank accounts. In addition, the annual trust fund report did not reflect the correct amount of interest earned.

The Clerk should record trust fund interest and monthly maintenance fees to the court's financial management system promptly.

- The Clerk still has not corrected the inaccurate adjustments to trust fund and condemnation fund accounts in the court's automated accounting system that we identified in the prior year audit. As we reported last year, these adjustments resulted in erroneous trust fund and condemnation fund account balances because of inaccurate recording of interest.

Subsequent to our audit, the Clerk posted the trust fund interest and monthly maintenance fees and corrected the inaccurate adjustments to trust fund and condemnation fund accounts.

We discussed these comments with the Clerk on February 5, 2002 and we acknowledge the cooperation extended to us by the Court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK/cam

cc: The Honorable Duncan M. Byrd, Jr., Chief Judge
Scott Dadson, City Manager
Bruce Haynes, Executive Secretary
Compensation Board
Don Lucido, Director of Technical Assistance
Supreme Court of Virginia
Martin Watts, Court Analyst
Supreme Court of Virginia
Paul Delosh, Technical Assistance
Supreme Court of Virginia
Director, Admin and Public Records
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